

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
302 W. WASHINGTON STREET, SUITE E-306
INDIANAPOLIS, INDIANA 46204-2764

<http://www.state.in.us/iurc/>
Office: (317) 232-2701
Facsimile: (317) 232-6158

FILED

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INDIANA UTILITY
REGULATORY COMMISSION

**JOINT PETITION OF INDIANAPOLIS)
POWER & LIGHT COMPANY, SOUTHERN)
INDIANA GAS AND ELECTRIC COMPANY,)
D/B/A VECTREN ENERGY DELIVERY OF)
INDIANA, INC., AND THE INDIANA OFFICE)
OF UTILITY CONSUMER COUNSELOR)
FOR APPROVAL OF SETTLEMENT)
ESTABLISHING A MECHANISM FOR)
THE RECOVERY OF PURCHASED POWER)
COSTS.)**

CAUSE NO. 42770

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") has caused the following entry to be made:

The Commission has questions for the parties in anticipation of the hearing set for February 24, 2005 at 2:00 p.m. To afford more time to prepare answers for the hearing, we ask the following now rather than posing the bench questions at the hearing:

Question for SIGECO, IPL & OUCC: Please provide an analysis showing what the benchmark would have been over the last six months under the proposed formula. Please include the NYMEX inputs used for each month analyzed.

Question for SIGECO & IPL: Page 8, lines 21 – 22 of Mr. Henley's testimony, and Page 7, lines 13-15 of Mr. Jochum's testimony, states that an alternative to the proposed settlement agreement is the maintenance of "a very high reserve margin of installed capacity". Has IPL or Vectren performed any analysis on what the reserve margin would be in absence of the settlement agreement? Please quantify the reserve margin savings anticipated or experienced because of this and previous settlements.

Question for SIGECO: Does SIGECO's Indiana jurisdictional rate base contain any gas turbines that can operate on fuel oil but not natural gas? If yes, please identify units.

IT IS SO ORDERED.

David W. Hadley
David W. Hadley, Commissioner

Abby R. Gray
Abby R. Gray, Administrative Law Judge

Date *February 23, 2005*